

January 23, 2014

The Honorable Kimba M. Wood
United States District Judge
Southern District of New York
500 Pearl Street, Room 660
New York, New York 1007

Your Honor:

I write this letter in anticipation of my sentencing before you.

The most difficult aspect of this ordeal has been the shame that I have inflicted upon myself and, more importantly, upon my family. My mother is a Holocaust survivor and my father was a liberator, and together they have endured unspeakable hardships. They are aware of the offenses that I have committed. Although they are supportive of me, they are now both very old and the fact that I have caused additional suffering in their life is something that causes me unbearable pain. I have 7 children ranging in age from 4 to 25 years old. I have discussed my crimes intensely with my older children, and I have apologized to them for forever tarnishing their name, which we all have worked to elevate in our community. I have embarrassed them and they have been shamed by my situation.


I had many employees and I was very proud of the work that we once did. Our reinvestment work contributed in a small way to financing buildings, stadiums, highways, bridges and many other sorts of great public works. I always loved what I did, because not only did I have an interesting and challenging role, I also felt like I was one of the few who made a healthy and comfortable living while at the same time was contributing to the greater good. I took pride in that and I wanted my employees to feel that way too. But now, things are different. My business has become known only for the bad that it did, and not in any way for the good. Too many employees that I mentored and that worked for me, have now found themselves convicted felons. Unfortunately, I feel that I have let them down. In many ways, that hurts the most. I cut corners and I did things that I knew were improper and wrong, but I did them anyway and I allowed my employees to do them as well. When I ask myself why, all I can say is, I thought I knew better – whether it was ego or greed. Like anything, there was some level of both. The bonds were issued, the buildings were built, the banks were making money, we were making money, people were working and it all seemed great. I see things now with a clarity that I simply did not have before. I hid things from people and did not disclose facts properly because I thought I knew better and I thought no one was really being hurt. This was wrong, and I am ashamed of my conduct and my attitude at that time.

But in writing this letter and preparing for this day, I have given this a lot of thought. I think on reflection that it was more than ego and money, I also think a big part of it was basic power. I basked in the power of the position I was in and I took advantage of it. I was involved in and an integral part of all these big deals with these big and powerful bankers with their Harvard MBAs -- me, a little Jewish kid from LA who used to help his mother sell dresses and who didn't even get a degree from the public university that I attended. In many ways, I think this is

what caused me to ignore my moral compass and do wrong. Today, as a result, I disclose everything that I do and who I am, including the fact that I am a convicted felon.

I am not sure whether it was the shame and humiliation of being charged criminally; having my name in the paper; having to face my friends and neighbors at home; or whether it was pleading guilty and admitting that I cheated in some of my business dealings, but I have learned a lesson in reality. I am not, in fact, in control of everything and a "master of the universe." In addition, I am not the man that I once was. I am humbled and remorseful for my involvement in this industry scandal.

I tried to be a role model of how to work hard, push forward, and succeed financially. Instead, I leave my kids and those that once worked for me embarrassed by my actions. Most of all, I have put stress and pain on my wife, Gail.



With a full heart I apologize to Your Honor and tell you how terribly sorry I am , for my crimes and the crimes of my company.

Respectfully,



David Rubin